

Integrated Regional Water Management Grant Program  
Scoping Meetings – Stakeholder Input

From: Santa Barbara Countywide IRWMP Cooperating Partners: March 2007

## **Performance Based vs. Competitive Program**

### **Definition –**

Performance Based means a grant program that is focused on the content and quality of a grant application. DWR would work with applicants on a scope of work to develop or improve an IRWM plan. When the scope meets a pre-established standard an applicant could pursue a planning grant. Similarly, when an applicant's IRWM plan meets pre-established requirements, the applicant could pursue implementation funding. The program would not be deadline driven.

Competitive means a grant program similar to what has been run in previous rounds, where all applications are due on a specific date; application contents are evaluated against an established set of scoring criteria; applications are ranked; and funding decisions are based on application ranking and available funding.

### **Observations from Previous Efforts –**

- Applicants generally could have benefited from more state involvement in the development of IRWM Plans.
- Applicants could have benefited from a more interactive/iterative grant program versus submitting everything in an application package and being critiqued only on the single submission.
- Not all applicants are at the same stage in plan development making it difficult for some to compete.
- Deadlines, rather than long-term goals have driven past planning efforts

### **DWR Concept for IRWM Grant Program –**

DWR is considering modifying the program to be more performance based. DWR would have more contact with applicants to monitor and assist performance, and deadlines would not drive the process.

### **Input Questions –**

**From your region's perspective, what are the advantages/disadvantages of a Competitive Grant Program?**

Advantages are minimal:

- Deadlines can be helpful - - but only if State agencies are similarly constrained to making decisions by specified dates.
- Guidelines are an advantage - - but only if they are flexible enough to avoid "one size fits all" requirements.
- Competitive approach can sometimes result in higher quality planning and project development.

Disadvantages include:

- As indicated in DWR's 3<sup>rd</sup> observation bullet above, not all applicants are at the same starting point, and thus some will be more competitive than others.
- A competitive process doesn't recognize that each planning region is unique, with different issues and different political/institutional contexts for decision-making and problem solving.
- Smaller planning regions believe themselves at a competitive disadvantage against larger areas, and are less easily motivated to compete for an "all or nothing" grant opportunity.
- The very high cost of a competitive process is a major barrier to performance.
- The Round 1, Prop 50 process has been counter-intuitive in some ways: those regions least in need of planning grants were the ones most likely to get the funds; while those regions most in need were the ones which had to scrape up local funds and then try to "catch up" with the better prepared and state-funded regions.
- Although a competitive approach can result in higher quality planning and project development, it can be susceptible to political maneuvering that can deny a fair distribution of funding to deserving applicants throughout the State.

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**Performance Based or Competitive Program Input**

**From your region's perspective, what are the advantages/disadvantages of a Performance Based Grant Program?**

DWR's concept of a performance based program is still unclear. If the program incorporates the concept of seeking continual improvement over time, rather than simply presenting a series of hurdles, while progressing toward defined goals, then the advantages would seem to include:

- Allowing for continual progress in development and enhancement of the Plan based on State staff input early and often;
- Separating the Plan from the project implementation grant application, rather than reviewing both simultaneously;
- Interpreting performance improvement based on the unique problems and planning context in each region.
- Allowing each region to define its own set of principles for coordination and performance would enhance cooperation and integration.
- Efforts can be put toward constructive planning efforts and finely tuned project selection, rather than a deadline driven effort that seeks to secure disproportionate project funding at the expense of legitimate efforts in other regions.

Disadvantages are minimal for local/regional entities but could include:

- A region could miss out on a grant by taking too long to develop a good plan or good application - - if DWR adopts a "first-come-first-served approach";
- A region might never "perform" to DWR's satisfaction if the region's priorities differ from the state's priorities.

**Which type of program would your region prefer and why?**

We prefer a performance based program, provided it allows DWR the flexibility to acknowledge varying issues and capabilities across planning regions. Similarly, the program should acknowledge and reward continual improvement, rather than applying the same performance standard to every region.

A performance based approach can still incorporate some of the beneficial aspects of the previous competitive process, especially the issuance of guidelines, feedback from state agency staff, reasonable timelines, and sharing of information and examples from other regions. Overall, the performance based approach is a better vehicle for delivery of State funding that derives from all the residents and taxpayers of the State.

**Are there other ideas or suggestions you have concerning performance based versus a competitive grant program?**

A performance based program should encourage (and reward) those plans and grant applications which are truly regional and integrated:

- By regional, we mean: geographically comprehensive, addressing a broad range of issues across the geographic region covered by the Plan;
- By integrated, we mean: addressing water resources management in various cross-cutting ways: through multi-agency cooperation; cross-project coordination; across watersheds; and generally through a systems perspective

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In conclusion, we believe it is important for equal access to all regions be provided to State grant funding, based on satisfaction of transparent criteria for eligibility. At the same time, we realize that funds should not be held available indefinitely for any particular region. In that light, it seems appropriate to designate funding to specific regions, subject to completion of the planning and project application process within an ample yet reasonable amount of time.

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## **IRWM Plan Standards**

### **Observations from Previous Efforts –**

Minimum standards for IRWM plans included in the guidelines may not be sufficient to ensure high quality. Governance of an IRWM plan was not always easily addressed. Project development and selection was not always tied to measurable plan objectives. Stakeholder involvement was inadequate in some plans.

### **Other Observations –**

Proposition 84 contains language that will necessitate changes in the guidelines and standards. Eleven funding areas will limit competition as a means to ensure quality of plans.

### **DWR Concept for IRWM Grant Program –**

- DWR is considering emphasis on planning prior to funding implementation projects.
- DWR is considering holding IRWM Plans to pre-established standards.
- Standards would be added or modified (such as project prioritization and governance) in the guidelines.
- Applicants would not be eligible to pursue implementation grants until the IRWM Plan meets pre-established standards.
- Planning grants would be predicated on a scope of work that produces an IRWM plan that will meet the pre-established standards.

### **Input Questions –**

#### **General Feedback:**

Within the Santa Barbara County region, development of an IRWMP has been a challenging but positive experience for the Cooperating Partners. The process we started in 2006 marked a far more inclusive and open process than our earlier attempt at IRWMP development. The level of support and participation has been unprecedented for water resources management in our region. Similarly, the Cooperating Partners have established a new level of integrated, regional cooperation and agreement on both the planning process and the Plan's content. We hope this kind of performance improvement will be acknowledged by DWR during the Prop 84 grant process.

We encourage DWR to issue Prop 84 guidelines that will allow for flexibility as each region develops plans that suit their unique needs. We suggest that DWR identify those plans which it considers to be the best examples or models for others to follow.

We recommend that DWR involve local and regional agencies in helping to develop the new Prop 84 guidelines. DWR should consult with those regions that have already developed IRWMPs or are currently developing them. In addition, DWR should share its interim product(s) broadly for review and comment.

In general, we concur with the DWR concepts noted above. We believe that, DWR's efforts can best be put toward guiding regions toward appropriate planning efforts rather than being subjected to the lobbying and political pressures that are inherent in a competitive process.

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**IRWM Plan Input**

**Based on your experience with the current standards which ones were difficult to address? Please discuss what made them difficult.**

The Prop 50 guidelines contained far too many standards. The long lists of the States' various "strategies", "priorities", "preferences", etc were not very helpful; there was no sense of clear purpose or focus. The requirement for similarly long lists of regional priorities, objectives and strategies just exacerbated the lack of focus.

Addressing "integration" proved especially difficult. The guidelines weren't very clear in defining what the State agencies expected the regions to address. Did DWR want to see integration across projects? across plans? across geographic areas? across problems and issues? or all of the above?

Addressing "impacts and benefits" was extremely difficult because the IRWMP is too general to allow for assessing either impacts or benefits. This kind of impact assessment might be possible during the grant application phase, but it really isn't possible during the Plan development phase, particularly because our Plan didn't attempt to rank our projects, but rather to simply sort our projects into those most ready for implementation and those less ready. A true impact/benefit assessment is really only possible during the project planning phase.

**Which standards, if any, were not helpful in your IRWM Plan?**

As noted above, the need to address all of the State's "priorities" and "strategies" and "preferences" made it more difficult to develop a clear and focused Plan. We found the California Water Plan to be a more helpful "guideline" or "model" for our regional planning - but we still found ourselves obligated to address the laundry list of items in the Prop 50 guidelines.

**What elements would be helpful for DWR to include or explain in a governance standard?**

DWR should explain its expectations in general terms, which identify the "goals" and "roles" of a governance standard. DWR should not dictate a particular form or organizational approach.

It would be very helpful if DWR could cite State legislation, programs, and other requirements which argue for developing a regional "governance" for water management. Without a strong argument, based on state legislation, it is very difficult for local agencies to convince elected officials and senior managers that there is a need for an organizational entity (whether permanent, temporary, or ad hoc) to address water management on a regional scale.

DWR's standard for governance should be flexible, so that each region can determine which form of governance works best for its IRWMP and project implementation process. Examples could be provided regarding the types of governance structures and the means to formalize them, such as a memorandum of understanding, joint powers agency, letters of agreement, or stakeholder group by-laws.

**What elements would NOT be helpful for DWR to include in a governance standard (what would make a governance standard too restrictive)?**

We would prefer NOT to see a prescriptive process that details how many participants or entities, the type of

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agreements among entities. Our process has been fairly informal, based on trust and the relationships established among participating agencies. Such cooperative relationships are key to success.

**In what areas was it important for your plan to exceed the minimum standards?**

We decided to address all 20 of the state's strategies, rather than limiting our plan to the 11 required strategies. This approach was essential because we wanted to take as comprehensive a look as possible at all aspects of water management - - recognizing that all the strategies are inter-related.

We also exceeded the minimum standards by considering the issue of "emergency planning and response" in a broad context, which we believed wasn't emphasized in the guidelines. We wanted to consider how water supply and/or water quality would be ensured during times of emergencies. Addressing this issue also demonstrates how we took a more "systems approach" in our thinking about water management within the region.

We exceeded both the State's and our own expectations for participation by obtaining 29 Cooperating Partners signatures on a Memorandum of Understanding to develop and financially support the IRWMP. This represented every water purveyor within Santa Barbara County as well as every wastewater service provider except for one small community service district. Some agencies and special districts participated and contributed financially without ever proposing projects for inclusion - - but rather in the interests of being team players in an integrated regional effort.

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## Disadvantaged Communities

### Comment Summary from Previous Efforts –

Incentives to reduce cost share for DAC did not address hardships DACs face engaging the IRWM process.

### DWR Concept for IRWM Grant Program –

Through Prop 84 DWR does have the means to provide some technical assistance and financial assistance to help DAC engage in their regional IRWM processes. DWR is considering implementing this assistance early in the process so DAC's can engage more fully in IRWM planning and/or application preparation processes. DWR is also considering allocating funding to projects that meet critical needs of DACs.

### Input Questions –

**What types of technical assistance would be helpful to augment your region's efforts to engage DACs in the IRWM process?**

DACs need financial and technical assistance for all kinds of planning work: data collection for water supplies and water quality; assessing existing infrastructure; identifying potential projects; estimating costs; assessing impacts; etc

However, the DACs in our region often lack the sufficient staff to manage such technical assistance; so it would be essential for DWR to work cooperatively with the County or some other local agency or district which could manage a technical contractor/consultant on behalf of the DACs in the region.

**Are there specific functions that DWR personnel can provide in the IRWM process that would help engage DACs?**

Provide up-front funds for consultants and local agencies to work with the DACs to develop project proposals. DWR could develop 3-way agreements with the DAC and another local agency to provide oversight of contractor assistance in plan and project development on behalf of DACs.

**In addition to technical assistance, is there also need for financial assistance and how do you envision those funds being used?**

Yes, provide funds directly to DACs to pay for staff to spend time on IRWMP process. Also, provide funds for consultants to work with DACs on: identifying problems, proposing projects, and generally helping DACs participate in the IRWM process.

Also, a consultant to help involve the local population and stakeholders in the planning process.

A local agency, e.g. a County, could manage the contractor funds on behalf of the DACs.

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**Disadvantaged Community Support Input**

Is addressing water quality and supply issues that directly impact DACs a priority in your region?

Yes, as reflected in our projects, which are often to meet both water supply and water quality goals.

Can the IRWM Process address direct water supply and quality problems in DACs? If so how? How was this addressed in your IRWM Plan?

Yes. The three DACs in our region were involved to varying degrees in the IRWMP process. Each DAC proposed projects which address both water supply and water quality problems. The supply and quality issues are clearly inter-related for those areas. The County was able to help at least one of the DACs provide required information on projects, but generally the DACs were able to provide only the most minimal information required.

Within our region, the County government agency ensured that the necessary information was made available for the DACs and their projects.

Are there other ideas or suggestions you have concerning engaging disadvantaged communities in the IRWM process? Are there items that DWR should emulate, retain or drop from other grant programs regarding DACs?

Our own level of outreach to the DACs could be improved, although it is made difficult by several challenging barriers including geographic isolation of one DAC and insufficient staffing and/or expertise for all 3 DACs.

Outreach should include mechanisms to involve the public and local stakeholders within the DAC in the planning process.

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## Regional Definition

### Comment Summary from Previous Efforts –

Provide a better definition of what a region is. Provide direction on appropriate regions.

### DWR Concept for IRWM Grant Program –

Work with regional efforts upfront to establish functional regional/sub-regional efforts. The timing of Funding for implementation efforts will reflect the readiness of the various funding areas. DWR will work with regions to “pre-screen” regional efforts for readiness.

### Input Questions –

Based on you experience with the existing IRWM Grant Program, how can the definition of a “region” be improved?

The “Region” should depend on the area in which water resources are (or could be) managed as an integrated “system”. Although watershed boundaries might provide one logical definition of a region, a reliance on watershed boundaries is not the best answer for all areas, especially where imported water is a key component. The transferring of water across watershed boundaries in California will often argue for a different kind of boundary. For example, within the Santa Barbara County region, water management is best viewed at a “systems level” that corresponds with populated areas within the County boundaries. With areas along the County’s south coast being heavily dependent on water imported from outside their watersheds, and with a majority of water purveyors throughout the entire County being linked to the State Water Project, the County boundary becomes the most logical “region” for addressing water management at a systems level.

Another useful way for defining a “region” is whatever scale allows problems to be defined and decisions to be made for addressing those problems. Often a political boundary will best serve the need for effective decision-making and for accountability in solving problems.

Regardless of which boundaries define a “region”, DWR could continue to advocate and help ensure that watershed-level data, issues and analysis are included in development of IRWMPs and projects.

With respect to the Plan preparation and the connection with the Regional Board boundaries, it is apparent that, as represented in the wording of Proposition 84, the definition of “region” has evolved to the point where it matches or nearly matches the jurisdictions of the Regional Water Quality Control Boards. While there is some merit in this from an administrative standpoint, the process should recognize that, in many cases, it will be a waste of time and effort to attempt to integrate all portions of such a region into a single plan.

What factors other than water management objectives and hydrologic, watershed, and political boundaries should be considered in establishing IRWM Plan Region Boundaries?

The appropriate boundaries for a “systems analysis” could be the key factor. The water management “system” could be largely determined by system components such as: ability to physically move water across the region; ability to trade or sell water rights within the system; extent of shared infrastructure; existing institutional agreements (through MOUs or joint powers agencies, etc) for regional water management; feasibility for conjunctive use and water banking; etc.

Additionally, for Prop 84 funding areas with multiple IRWM Planning Regions, identify possible mechanism for equitable distribution of limited funding. We would like to see consideration given to methods that will

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encourage all planning groups within a funding area to develop a consensus as to an equitable and appropriate split. Perhaps DWR resources could be used to help mediate such discussions.

**For Prop 84 funding areas with multiple IRWM Planning Regions, identify possible mechanism for equitable distribution of limited funding.**

During our discussions about our ongoing IRWMP process with DWR staff, we had useful discussions about how it might be more appropriate for each funding area to be represented by several “regional” plans, with some sort of unifying umbrella summary to draw together the elements that are clearly common to all the regions. We would hope that future guidelines expressly recognize this concept

We also prefer that the regions in each funding area work together to determine the best means to distribute funds equitably. We have already started working closely and cooperatively within the Central Coast to develop principles for equitable distribution of the limited funds. We encourage DWR to fully support such principles, which allows the planning regions to determine their own priorities, consistent with the bond language and intent.

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### Stakeholder Involvement

For your region, please describe briefly who are the stakeholders and rate their level of involvement.

|  | STAKEHOLDER INTERESTS                     | HIGH | MED | LOW |
|--|---|------|-----|-----|
|  | Water Districts                           | ✓    |     |     |
|  | Sanitary Districts                        | ✓    |     |     |
|  | Flood Control Districts                   | ✓    |     |     |
|  | City Government                           | ✓    |     |     |
|  | County Government                         | ✓    |     |     |
|  | Municipalities                            | ✓    |     |     |
|  | Associations of Government Agencies       |      |     |     |
|  | Tribes                                    |      |     | ✓   |
|  | Watershed Groups                          |      | ✓   |     |
|  | Environmental Groups                      |      | ✓   |     |
|  | Community Based Groups                    |      | ✓   |     |
|  | Environmental Justice Organizations       |      |     | ✓   |
|  | Representatives Disadvantaged Communities |      | ✓   |     |
|  | Private Landowners                        |      |     | ✓   |
|  | General Public                            |      | ✓   |     |
|  | Universities                              |      |     | ✓   |
|  | Industry/Trade Organizations              |      |     | ✓   |
|  | Other – List                              |      | ✓   |     |
|  | Agriculture                               |      | ✓   |     |
|  | Other NGOs such as League of Women Voters |      |     |     |

Please discuss if there are other stakeholders who should be involved in your regional efforts, but have not been.

In the future, we will seek to gain more participation from the Santa Ynez Band of the Chumash. We will also seek broader stakeholder involvement from universities and federal agencies.

Please discuss efforts that your region has made to ensure that IRWM Planning efforts are inclusive of diverse stakeholder interests.

We have maintained a very open and inclusive process. We continue to seek new participants, maintain a website and e-mail group to keep everyone informed and try to schedule meetings at convenient times and locations. We expanded our initially-scheduled 3 public workshops in order to add a 4<sup>th</sup> workshop, and each workshop actually consisted of 2 separate meetings: one in a south coast community and one in a north county community.

We have made a sustained effort to keep the agricultural community informed through regular presentations and discussions with the County's Agricultural Advisory Committee.

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|---|---|
| OPTIONAL – Please provide brief information about the person(s) completing this form  |   |
| Region:   | Santa Barbara County Water Agency, as the lead administrator on behalf of 29 Cooperating Partners for the Santa Barbara Countywide IRWMP. |
| Name  | Robert Almy and Leonard Fleckenstein  |
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| If you are not already on the DWR IRWM Mailing/Distribution List. Please add the above listed person(s) to the IRWM distribution list. <input checked="" type="checkbox"/> Len Fleckenstein ( <a href="mailto:lflecken@cosbpw.net">lflecken@cosbpw.net</a> ) and Robert Almy ( <a href="mailto:ralmy@cosbpw.net">ralmy@cosbpw.net</a> ) |   |